



FOR IMMEDIATE RELEASE

September 21, 2007

MAYOR JERRY SANDERS
MEDIA RELEASE

**SANDERS RECOMMENDS STRONG SLATE OF CANDIDATES
FOR INDEPENDENT RATES OVERSIGHT COMMITTEE**

**APPOINTMENTS HELP FULFILL MAYOR'S PLAN TO SAFEGUARD
WATER AND WASTEWATER SYSTEM RATEPAYER FUNDS**

Mayor Jerry Sanders has nominated a strong slate of candidates for appointment to the Independent Rates Oversight Committee. The committee was formed as part of the Mayor's comprehensive plan to safeguard ratepayer funds used in the City's water and wastewater system.

The Mayor's nominees include professionals from the accounting, finance, engineering, legal, environmental and science fields. Once confirmed by the City Council, the committee members will begin working with the Mayor on the five components of his safeguard plan. The committee will:

- Assist in the selection and retention of the independent firm(s) to conduct the annual **financial and performance audits** of the water and wastewater systems,
- Review reports from staff and the independent audit organizations on **rate and bond proceed expenditures**,
- Review **independent performance audits** of the water and wastewater systems,
- Provide advice on the **efficiency and performance** of both systems, and
- Oversee savings efforts and deposits to the **"Dedicated Reserve from Efficiency and Savings"** fund established as part of the Mayor's ratepayer safeguard plan.

“We received hundreds of applications for positions on this important committee. I have been very impressed with the caliber of applicants willing to assist the City in this critical oversight role. I think the slate of candidates I am forwarding to Council is very strong and will play a big role in rebuilding trust in how the water and wastewater systems manage their finances and ratepayer funds.”

Mayor Jerry Sanders

RECRUITMENT PROCESS INCLUDED EXTENSIVE OUTREACH AND COUNCIL INPUT

The new 11 member Committee includes ratepayer representatives and professional experts in the finance, accounting, legal and auditing industries. The IROC will meet every other month at a minimum and more often if deemed necessary by the chair of the Committee. It will replace the current Public Utilities Advisory Committee and will conduct public meetings to gather input from ratepayers and other stakeholders interested in the City’s water and wastewater systems.

Applications for the new Committee were solicited and accepted by the Mayor’s office. Ratepayers were provided information about the Committee and an application form in their water billing notice. The Mayor also posted the application form on the City’s website and asked the City Council to refer candidates for consideration. Each of the applications was reviewed for consistency with the Committee’s membership requirements. Each of the candidates selected by the Mayor was also vetted by the City Attorney’s office for eligibility to serve on the Committee.

IROC CANDIDATES INCLUDE RATEPAYERS AND LOCAL LEADERS

The Mayor worked with his staff to ensure that the slate of candidates for the IROC represents a broad range of professional experience and includes ratepayers using the City’s water and wastewater system. The candidates selected by the Mayor are Donald Billings, Lawrence Clemens, Linda Cocking, Jack Kubota, John Nelson, Barry Newman, James Peugh, Charles Richardson, Irene Stallard-Rodriguez, Todd Webster, and Gail Welch.

The Mayor has requested that the City Council docket consideration of his slate of candidates in early October.

Biographical Information for Mayor Sander's Slate of Candidates For the Independent Rates Oversight Committee

Donald Billings, CFA has more than 25 years experience in financial institution supervision and crisis management. Mr. Billings has worked domestically and internationally as a federal regulator and has provided independent consulting services to the Federal Reserve and Moody's Investor Service. Mr. Billings' career highlights include: Chief Advisor for the U.S. Treasury Department at the U.S. Embassy in London where he directed emerging markets financial sector reform; Managing Director for KPMG, LLP where he was also a member of the Board for KPMG's start-up subsidiary in Japan; and Director of Finance for the Oversight Board for the Resolution Trust Corporation in Washington, D.C. where he was responsible for board oversight of the corporation's financial functions including development of operating and funding plans, loss estimation, financial reporting, and audit. Currently, Mr. Billings is a consultant for the Promontory Financial Group and assists clients in business strategy, risk management, and response to regulatory actions.

In 1979, Mr. Billings received his B.A. degree in Economics with Distinction from the University of California, Berkeley and was awarded the Chartered Financial Analyst designation in 1986. Mr. Billings will serve as the Finance/Municipal Finance representative on this committee for a term expiring May 1, 2011. Mr. Billings resides in Del Mar Terrace/Torrey Pines. It is the Mayor's intent to appoint Donald Billings as the Chair of the Independent Rates Oversight Committee.

Larry Clemens is President of Barratt American, Urban Division, and is responsible for all aspects of development of urban mixed-use projects. Mr. Clemens has over 30 years experience in community and resort master planning, entitlement, construction, and project management. Throughout his career many San Diego area development projects under Mr. Clemens' leadership, have received numerous design awards. Previously, Mr. Clemens was the President of Lennar Homes – San Diego Communities and San Diego Urban Division. He was also the Vice President, General Manager of Hillman Properties where he oversaw the development of Aviara, the \$1 billion resort community in Carlsbad. Mr. Clemens will serve as the Construction Management Professional on this committee for a term expiring May 1, 2011. Mr. Clemens resides in Rancho Santa Fe.

Linda Cocking is a Residential and Commercial Property Manager and Owner experienced in all aspects of real estate finance, ownership, and management of residential and commercial units. Ms. Cocking has managed and owned properties for more than 30 years and obtained her real estate broker license from the California Department of Real Estate in 1989. Ms. Cocking also has more than 12 years experience as a financial planner and became a Certified Financial Planner in 1984. Ms. Cocking will serve as the Multi-Family Residential Ratepayer representative on this committee for a term expiring May 1, 2009. Linda Cocking resides in Tierrasanta.

Jack Kubota is a semi-retired Professional Engineer specializing in all aspects of engineering related to water resources, potable water supplies, reclaimed/recycled water supplies, wastewater collection, treatment, and disposal, and municipal engineering services. With more than 57 years experience, Mr. Kubota has been a Public Health Engineer, City Engineer, Consulting Engineer, and District Engineer. His technical and engineering expertise supported the development of the Encina Wastewater Authority which currently provides wastewater treatment for more than 300,000 people in North San Diego County. Throughout Mr. Kubota's career, he has played a key role in the

development, planning, design, and construction of many water and wastewater facilities. He currently is the sole-ownership consultant of a small engineering firm, providing services on an as-needed basis. Mr. Kubota will serve as the Engineering Professional on this committee for a term expiring May 1, 2009. Mr. Kubota resides in Carlsbad.

John Nelson is the Vice President of Operations for FCI Constructors, Inc. Southern Division, a California-based subsidiary of Flatiron Construction Corporation, and has been in the construction management industry for more than 40 years. Mr. Nelson began his career as a Structures Superintendent in 1967 at the Daley Corporation and soon became the Construction Manager for Field Operations. In 1976, Mr. Nelson became the Vice President of Field Operations for the Daley Corporation and effectively managed all aspects of projects including reviewing bids, developing project budgets, supervising project managers and field operations, and overseeing fleet trucking operations. From 1981-1995, Mr. Nelson managed all major CalTrans projects for the Daley Corporation and engineered and estimated all concrete structures. Since 1995, Mr. Nelson has worked for FCI Constructors and was previously the President & General Manager responsible for value engineering, pre-construction planning, and overseeing various multi-million dollar construction projects in Southern California. Mr. Nelson resides in the Crown Point community of Pacific Beach and will serve as the Temporary Irrigation & Construction Ratepayer representative for this committee for a term expiring May 1, 2009.

Barry Newman is a retired banker and a practicing attorney in private practice and currently serves as a Complex Commercial Mediator and Arbitrator. He is also a San Diego Superior Court Judge Pro Tem for the North County and Central divisions and on the Board of Directors for the San Diego County Capital Asset Leasing Corporation. Previously, Mr. Newman was the Senior Executive Vice President for Great American Bank and the Chairman, President & CEO for Security Pacific Finance Group. In addition to his professional commitments, Mr. Newman has led and served on numerous boards, commissions, and committees including the Public Utilities Advisory Commission (2005-2007) and the Metropolitan Wastewater Programs Oversight Committee (1992-2001). He is currently the Chairman of the San Diego County Treasury Oversight Committee, a member of the San Diego County Audit Committee, Board member and Past President of the San Diego County Taxpayers Association, and served on the Finance Committee for San Diego/Imperial Counties Chapter of the American Red Cross. Mr. Newman will serve as the Law Professional on this committee for a term expiring May 1, 2011. Mr. Newman resides in Escondido.

James Peugh is a retired physicist who worked at Navy Command, Control, Ocean Surveillance Center in the Naval Research and Development Division for over 30 years. As a physicist, Mr. Peugh worked in ocean engineering, signal processing, and undersea warfare concepts and systems. Over the last 20 years, Mr. Peugh has been a wildlife preservation, habitat restoration, watershed, water quality, and environmental advocate and has been affiliated with various environmental organizations including Friends of Famosa Slough, San Diego Audubon Society, San Diego Bay Council, San Diego River Park Foundation, and San Diego River Conservancy. Mr. Peugh has also served on numerous boards, advisory groups, committees, panels and working groups and has provided his expertise on several of the City's commissions including the Public Utilities Advisory Commission and the Wetlands Advisory Board. Mr. Peugh will serve as the Environmental representative on this committee for a term expiring May 1, 2011. Mr. Peugh resides in Point Loma.

Charles Richardson is a retired Chief Financial Officer and President for GreenPoint Financial Corporation and GreenPoint Credit, LLC. He has more than 35 years experience in the financial

industry and has served as Executive Vice President and Chief Financial Officer, Vice President and Chief Audit Officer, Senior Vice President and Treasurer, Audit Manager and other executive level positions for various banks and financial institutions including GreenPoint Bank, Dollar Dry Dock Bank, First Fidelity Bancorporation, and Deloitte, Haskins & Sells. His financial expertise includes auditing, public accounting, mergers and acquisitions, commercial banking, mortgage loan originations and loan servicing, and asset management. He was also formerly a Certified Public Accountant. Mr. Richardson will serve as the Audit and Accounting Professional on this committee for a term expiring May 1, 2009. Mr. Richardson resides in Carmel Valley.

Irene Stallard-Rodriguez has over 20 years of marketing and management experience in high-volume retail, commercial leasing, and property management. She is currently the President and Founder of Rodriguez Marketing, LLC, a full service advertising agency that develops branding and advertising campaigns. Previously, she was the General Manager for the San Diego Factory Outlet Center and was responsible for property management, lease negotiations, tenant relations, and vendor management. Ms. Stallard-Rodriguez was also the General Manager for the Gateway Market Place. Ms. Stallard-Rodriguez will serve as the Single-Family Residential Ratepayer representative on this committee for a term expiring May 1, 2011. Ms. Stallard-Rodriguez lives in San Carlos.

Todd Webster, Ph.D., P.E, is a Project Manager I/Engineer IV for Shaw Environmental, Inc. and has more than 16 years experience in all aspects of biological water treatment system design, installation, and operation. Mr. Webster has extensive experience in drinking water regulations and the application of technologies for drinking water treatment. As a Senior Technical Leader, Mr. Webster has been instrumental in leading a team of engineers in conducting all phases of research and design for both pilot and full-scale biological remediation projects for potable and non-potable water treatment applications within the military, industrial, and public sectors. On behalf of Shaw Environmental, Mr. Webster is also the leading authority on all state and federal regulatory drinking water issues. Previously, Mr. Webster was a Post-Doctorate Research Associate for the University of California at Riverside, Environmental Engineer for Envirogen, Inc. and taught microbiology for environmental engineers for the University of Southern California. Mr. Webster was awarded a Ph.D. in Environmental Engineering from the University of Southern California in 1996 and he is also a State of California Professional Civil Engineer. Mr. Webster will serve as the Science Professional on this committee for a term expiring May 1, 2009. Mr. Webster resides in Talmadge.

Gail Welch is an Energy Manager for QUALCOMM Real Estate and Facilities. As the Energy Manager, Ms. Welch is responsible for oversight of total utility expenditures (gas, electricity, and water) and managing opportunities for commodity negotiations to minimize risk in utility expenditures. She also manages energy incentive programs and investigates expanded opportunities for energy efficiency and sustainability. Ms. Welch also serves as QUALCOMM's energy representative and liaison with various community agencies and associations including Industrial Environmental Association (IEA) and SANDAG Energy Working Group. Previously, Ms. Welch served in QUALCOMM's Corporate Finance Department as a Staff Financial Analyst where she managed various construction project and department budgets. Ms. Welch will serve as the Commercial & Industrial Ratepayer representative on this committee for a term expiring May 1, 2011. Ms. Welch resides in Carmel Valley.

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